

Rural Business-Cooperative Service • Rural Microentrepreneur Assistance Program

6 Mile Café a Quality Family Dining Establishment

6 Mile Café, owned and operated by the William Koch family and located just north of Dawson, NE along Hwy. 75, opened its doors in August of 2011. The establishment had been a café for decades until the cost of equipment required by new health and equipment codes forced the previous owners to shut down a year earlier.

The Koch family, owners of other businesses in the Dawson area, saw a need for a family café/restaurant and bar in the area. The Koch's approached the local bank about financing for the new business. The bank was willing to finance 20 percent of the project cost, which left the family with the remaining 80 percent.

The Kochs applied for a \$50,000 loan from the Rural Enterprise Assistance Project (REAP) administered by the Center for Rural Affairs (CFRA) with funding from USDA RD. They provided the remaining cost of the project themselves. REAP was able to finance the \$50,000 loan request with the USDA Rural Microentrepreneur Assistance Program.

After operating for just six months, gross sales doubled and some months tripled the cash flow projections. 6 Mile Café now employs more than 20 part-time employees. The business has filled many voids, provides a clean, quality family dining establishment and has created jobs for many local residents in rural southeast Nebraska. When asked about the impact of REAP's financing, William Koch said, "It wouldn't have been possible without it, simple as that." The family sincerely thanks and appreciates organizations such as REAP who provide necessary financing for small, rural businesses when traditional banks will not.

August of 2016 marked five years of operation for 6 Mile Café. There have been some changes, such as no longer serving breakfast, as it was not profitable. They continue to employ more than 20 part-time employees. Gross sales have continued to double or even triple the projections. 6 Mile Café has plans to expand in the future by adding a waitress station, office and storage.

The Center for Rural America Rural Enterprise Assistance Project (REAP), Lyons, NE provides Rural Microentrepreneur Assistance Program (RMAP) revolving loan funds, training and technical assistance statewide in the rural areas of all 93 Nebraska counties. To date REAP has made 30 RMAP loans, creating 34 jobs and saving 35 jobs.

Obligation Amount:	\$900,000 loan, \$449,056 grant
Date of Obligation:	\$400,000 loan 9/30/10; \$500,000 loan 9/24/14; \$100,000 grant 9/30/10; \$85,160 grant 9/30/12; \$39,739 grant 9/30/13; \$47,947 grant 2/25/15; \$84,665 grant 9/28/15; \$91,545 grant 9/22/16
Congressional District:	Fortenberry 01; Senators Fischer & Sasse
Partners:	RMAP requires 25 percent of loan/total project costs from third party source; 15 percent grant match from applicant.
Demographics:	Service area is rural Nebraska under 50,000 population.
Impact:	Training, technical assistance and loans in an amount of \$50,000 or less to microbusinesses with 10 fulltime equivalent employees or less.
